

FISCAL IMPACT STATEMENT ON BILL NO. **S.504**

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TO:	The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Tricia Tangney		
DATE:	March 8, 2005	SBD:	2005250

AUTHOR:	Senator Moore	PRIMARY CODE CITE:	42-9-360
SUBJECT:	Workers' Compensation - Penalties for Late Payment		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost to Federal and Other Funds (See Below)

BILL SUMMARY:

This Bill establishes penalties for late payment of charges for health care goods or services relating to compensation claims under South Carolina Workers' Compensation Law. The Bill also provides that payment must be made directly to the provider rather than to the claimant.

EXPLANATION OF IMPACT:

Workers' Compensation Commission

The last section of this Bill gives medical providers standing before the Workers' Compensation Commission in any case in which medical care was provided, which the agency estimates would generate twenty additional hearings per month. Based on a cost of \$390 per hearing in direct costs (per diem, travel, court reporter, printing, etc.), implementation of this Bill would require approximately \$93,600 from the General Fund of the State.

State Accident Fund

The State Accident Fund estimates that penalties for late payment on disputed or improperly filed claims could cost state agencies up to \$120,000 from all sources of funds (State General Fund, Federal and Other Funds).

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget